

October 22, 2021

PRESS RELEASE

Federal Bank net profit grows by 50% to reach Rs. 460.26 Cr

Federal Bank announced Unaudited Financial Results for the quarter ended 30th September 2021. Highlights of the results are as follows:

- CASA grew by 18% YoY and CASA Ratio at all time high level of 36.16%
- Strong traction in NIM @ 3.20% and pick up in NII @ Rs. 1479 Cr
- Net Profit @ Rs. 460 Cr, grew by 50% YoY
- Operating Profit at Rs. 865 Cr
- Total Advances grew by 10% YoY
- Agri Business grew by 20% YoY
- Retail Advances grew by 12% YoY
- Total Savings Deposits grew by 16% YoY
- Retail Deposits at 94% of Total Deposits
- Strong traction in Core Fee Income @ Rs. 373 Cr, increase of 29% YoY

Commenting on the results and financial performance, Mr. Shyam Srinivasan, Managing Director & CEO, Federal Bank said, “The Bank, amidst the volatile environment, has delivered a very encouraging performance braving a lot of odds. We witnessed strong traction in NIM and pick up in NII on the back of good credit growth in certain segments. Strong recovery and upgrades helped in virtually no credit cost for the quarter. CASA growth of 18% YoY led CASA ratio to reach an all-time high of 36%. This further strengthens the granularity of our deposit portfolio. Inward Remittances continues to be a strong forte for the Bank with a market share of 20.54%. The digital story of the Bank continues to prosper with Fintech partnerships progressing well and contributing to 50% + of new accounts booked.”

WORKING RESULTS AT A GLANCE

(Rs. in Crore)

Particulars	Q2	Q2	% y-o-y growth
	2021-22	2020-21	
Net Profit	460.26	307.62	↑49.62%

Net Interest Income	1479.42	1379.85	↑7.22%
Net Total Income	1923.78	1829.21	↑5.17%

Balance Sheet

Total Business of the Bank reached Rs.306399.38 Cr registering a growth of 9.56% as on 30th September 2021. Total Advances grew from Rs. 125208.57 Cr to Rs. 137313.37 Cr. Total Deposits increased from Rs. 156747.39 Cr as on 30th September 2020 to Rs. 171994.75 Cr as on 30th September 2021.

Resident Savings Bank Deposits of the Bank grew from Rs. 23084.29 Cr to Rs. 27716.43 Cr registering a growth of 20.07%. CASA Deposits clocked a growth of 17.82% YoY to reach Rs. 62190.88 Cr.

On the Asset side, Agri advances grew from Rs. 14880.35 Cr to Rs. 17890.00 Cr registering a growth of 20.23%. Gold Loans registered a growth of 25.88% reaching Rs. 15976.00 Cr as on 30th September 2021. Retail Advances grew by 11.76% to reach Rs. 44264.37 Cr.

Operating Profit & Net Profit

The Bank registered an Operating Profit of Rs. 864.79 Cr and Net Profit of Rs. 460.26 Cr. for the quarter ended 30th September 2021.

Net Interest Income & Margins

The Bank earned Net Interest Income of Rs. 1479.42 Cr for the quarter ended 30th September 2021. Net Interest Margin stood at 3.20% as on 30th September 2021.

Asset Quality

Gross NPA of the Bank as at the end of Q2 FY22 stood at Rs. 4445.84 Cr, which as a percentage to Gross Advances stood at 3.24%. The Net NPA and Net NPA as a percentage to Net Advances as on 30th September 2021 stood at Rs.1502.44 Cr and 1.12% respectively. Provision Coverage Ratio (including technical write-offs) was 79.33%.

NET WORTH & CAPITAL ADEQUACY

Net worth of the Bank increased from Rs. 15235.25 Cr to Rs. 17561.53 Cr, as on 30th September 2021. Capital Adequacy Ratio (CRAR) of the Bank, computed as per Basel III guidelines stood at 14.97% as at the end of the quarter.

Footprint

The Bank has 1272 branches and 1874 ATMs/ Recyclers as on 30th September 2021.

Q2FY21 Vs Q2FY22

- Retail advances grew by 11.76% to reach Rs.44264.37 Cr
- Gold Loans registered a growth of 25.88% to reach Rs.15976.00 Cr
- Agri advances reached Rs.17890.00 Cr registering a growth of 20.23%
- CASA grew by 17.82% from Rs.52785.84 Cr to Rs.62190.88 Cr

- Total Deposits increased by 9.73% from Rs. 156747.39 Cr to Rs.171994.75 Cr
- Investments stood at Rs. 36976.73 Cr
- Book Value per share increased from Rs. 76.38 to Rs. 83.57

MAJOR FINANCIAL INDICATORS (Standalone nos.)

(Rs. in Crore)

Business Figures	As on 30.9.2021	As on 30.9.2020	Growth (%)
Total Deposits	171994.75	156747.39	↑9.73%
SB & Demand Deposits	62561.81	53152.28	↑17.70%
Gross Advances	137313.37	125208.57	↑9.67%
Retail Advances	44264.37	39605.20	↑11.76%
Agri Advances	17890.00	14880.35	↑20.23%
Capital			
Equity Capital	420.30	398.93	
Net Worth	17561.53	15235.25	↑15.27%
Capital Adequacy (%)	14.97	14.64	
Tier I (%)	14.09	13.33	
Tier II (%)	0.88	1.31	

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A presentation for investors is being placed separately on our Bank's website: www.federalbank.co.in

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